BOARD OF GOVERNORS, URANIUM CITY HOSPITAL

FINANCIAL STATEMENTS

For the Year Ended March 31, 2002

Provincial Auditor Saskatchewan

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AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the Board of Governors, Uranium City Hospital as at March 31, 2002 and the statements of operations and changes in fund balances, and cash flows for the year then ended. The Hospital's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Board of Governors, Uranium City Hospital as at March 31, 2002 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
September 17, 2002

Fred Wendel, CMA, CA
Provincial Auditor

Statement 1

BOARD OF GOVERNORS, URANIUM CITY HOSPITAL
STATEMENT OF FINANCIAL POSITION
As at March 31

	Operating Fund	Capital Fund	Total 2002	Total 2001
ASSETS				
Current Assets				
Cash	$ 427,949	$ 3,012	$ 430,961	$ 335,458
Accounts Receivable				
Saskatchewan Health - General Revenue Fund	-	-	-	20,000
Patient Services and Recoveries	84,545	-	84,545	58,420
Inventory (Note 2(b) and 3)	72,007	-	72,007	73,539
Prepaid Expenses	33,525	-	33,525	19,631
	618,026	3,012	621,038	507,048
Capital Assets (Note 2(c) and 4)	-	50,560	50,560	45,815
Total Assets	$ 618,026	$ 53,572	$ 671,598	$ 552,863
LIABILITIES				
Current Liabilities				
Advance Payable (Note 5)	$ -	$ -	$ -	$ 85,000
Accounts Payable	81,655	-	81,655	83,516
Accrued Salaries and Vacation Pay	59,586	-	59,586	68,144
	141,241	-	141,241	236,660
FUND BALANCES				
Investment in Capital Assets	-	50,560	50,560	45,815
Externally Restricted (Note 2 (a)(ii))	-	3,012	3,012	20,000
Unrestricted	476,785	-	476,785	250,388
Fund Balances: Statement 2	476,785	53,572	530,357	316,203
Total Liabilities and Fund Balance	$ 618,026	$ 53,572	$ 671,598	$ 552,863

(see accompanying notes to the financial statements)

Statement 2

BOARD OF GOVERNORS, URANIUM CITY HOSPITAL
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
For the Year Ended March 31

	2002				2001
	Operating Fund Budget (Note 9)	Operating Fund	Capital Fund	Total	Total
Revenues:					
Saskatchewan Health - General Revenue Fund	$ 1,667,130	$1,664,280	$ -	$ 1,664,280	$ 1,669,142
Income and recoveries	43,108	49,481	-	49,481	37,483
Interest income	12,000	19,858	-	19,858	13,001
Ancillary operations	19,200	23,445	-	23,445	25,600
	1,741,438	1,757,064	-	1,757,064	1,745,226
Expenses:					
Administration	308,500	303,315	12,243	315,558	285.862
Housekeeping and laundry	65,950	62,243	-	62,243	55,731
Maintenance	280,422	255,275	-	255,275	207,034
Dietary	111,600	118,104	-	118,104	86,756
Acute care (Note 8)	577,100	564,785	-	564,785	543,452
Laboratory and x-ray	133,200	146,250	-	146,250	142,040
Ancillary operations	75,688	80,695	-	80,695	81,381
Total (to Schedule 1)	1,552,460	1,530,667	12,243	1,542,910	1,402,256
Excess (deficiency) of revenues over expenses	$ 188,978	226,397	(12,243)	214,154	342,970
Fund balances, beginning of year		250,388	65,815	316,203	(26,767)
Fund balances, end of year		$ 476,785	$ 53,572	$ 530,357	$ 316,203

(see accompanying notes to the financial statements)

BOARD OF GOVERNORS, URANIUM CITY HOSPITAL
STATEMENT OF CASH FLOWS
For the Year Ended March 31

	Operating Fund		Capital Fund	
	2002	2001	2002	2001
Cash provided by (used in):				
Operating Activities				
Excess (deficiency) of revenue over expenses	$ 226,397	$ 331,815	$ (12,243)	$ 11,155
Non-cash expense - amortization of capital assets	-	-	12,243	8,845
Net change in non-cash working capital (Note 11)	(48,906)	(19,321)	20,000	(20,000)
	177,491	312,494	20,000	-
Financing and Investing Activities				
Purchase of capital assets	-	-	(16,988)	-
Payment of Advance (Note 5)	(85,000)	-	-	-
Net increase (decrease) in cash	92,491	312,494	3,012	-
Cash, beginning of year	335,458	22,964	-	-
Cash, end of year	$ 427,949	$ 335,458	$ 3,012	$ -

(see accompanying notes to the financial statements)

BOARD OF GOVERNORS, URANIUM CITY HOSPITAL
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2002

1. Authority

The Board of Governors, Uranium City Hospital was established June 5, 1995 by Order in Council #508/95 under The Public Health Act to operate the Uranium City Hospital.

The Minster of Municipal Government held the net assets and operated the Hospital on behalf of the Northern Settlement of Uranium City prior to establishment of the Board. By Order dated April 25, 1996, under Section 120 (1) of The Northern Municipalities Act, the Minister transferred the net assets to the Board effective June 5, 1995 for no monetary consideration.

2. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. Significant accounting policies are summarized as follows:

a) Fund Accounting

The accounts of the Board are maintained in accordance with the principles of restricted fund accounting. For financial reporting purposes, accounts with similar characteristics have been combined into the following major funds:

i Operating fund

The operating fund reflects the primary operations of the Board including revenues received for provision of health services from Saskatchewan Health - General Revenue Fund, and billings to patients, clients, and other agencies for patient and client services. Other revenues consists of recoveries and ancillary operations. Expenses are for the delivery of health services.

ii Capital Fund

The capital fund is a restricted fund that reflects the equity of the Board in capital assets. The capital fund includes revenues received from Saskatchewan Health - General Revenue Fund designated for the acquisition of capital assets. Expenses consist of amortization of capital assets.

b) Inventories

Inventory consists of medical and surgical supplies, pharmacy, fuel oil and other general supplies.

Inventories are valued at the lower of cost and net realizable value, with cost

determined by the first-in first-out (FIFO) method.

c) Capital Assets

Capital assets are recorded at cost. Cost is amortized over the useful life of the assets.

Amortization has been taken on the straight-line basis at the rate of 10% - 20% on equipment. The building was amortized on a straight line basis over its estimated useful life.

d) Revenue

Contributions, including operating and capital funding from Saskatchewan Health - General Revenue Fund, are included in revenue in the year in which they are received or receivable.

e) Pensions

The Board expenses all contributions it is required to make to the multi-employer defined benefit pension plan in the year.

3. Inventory

	2002	2001
Pharmacy	$ 16,409	$ 26,745
Fuel Oil	21,309	19,820
General Supplies	4,373	14,658
Medical and Surgical Supplies	29,916	12,316
	$ 72,007	$ 73,539

4. Capital Assets

	2002			2001
	Cost	Accumulated Amortization	Net Carrying Amount	Net Carrying Amount
Land	$ 4,295	$ -	$ 4,295	$ 4,295
Building	1,444,979	1,444,979	-	-
Equipment	497,375	451,110	46,265	41,520
	$ 1,946,649	$ 1,896,089	$ 50,560	$ 45,815

5. Advance Payable

The advance received from Saskatchewan Health - General Revenue Fund was interest free and repayable at the discretion of Saskatchewan Health. Saskatchewan Health requested the Hospital to pay this amount to the Athabasca Health Authority (AHA). The $85,000 was paid to AHA in September 2001.

6. Related Party Transactions

Included in these financial statements are transactions with related parties. These related parties include various Saskatchewan Crown Corporations, departments, agencies, boards and commissions related to the Board by virtue of common control by the Government of Saskatchewan and non-crown corporations and enterprises subject to joint control and significant influence by the Government of Saskatchewan.

Routine operating transactions with related parties are settled at standard rates charged by the organizations under normal trade terms. These transactions and amounts outstanding at year-end are included in the financial statements and the table below:

	2002	2001
Accounts receivable	$ -	$30,076
Accounts payable and accrued liabilities	10,465	43,360
Expenses	93,329	61,133

In addition, the Board pays Provincial Sales Tax to the Saskatchewan Department of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

Other amounts and transactions due to and from related parties and the terms of settlement are described separately in these financial statements and the notes thereto.

7. Pensions

Employees of the Board participate in the retirement plan of the Saskatchewan Association of Health Organizations (a related party) which is a multi-employer defined benefit pension plan. The Board's financial obligation to the plan is limited to making required payments to match amounts contributed by employees for current services. Pension expense for the year amounted to $12,579 (2001 - $10,370).

8. Acute Care

Acute care expenses includes nursing and support services. However, they do not include salaries paid to doctors. Doctors are paid by Saskatchewan Health - Northern Medical Services and the expense is not reflected in these financial statements.

9. Budget

The operating budget was approved by the Board.

10. Financial Instruments

a) Significant terms and conditions

There are no significant terms and conditions related to financial instruments classified as current assets or current liabilities that may affect the amount, timing and certainty of future cash flows. Significant terms and conditions for the other financial instruments are disclosed separately in these financial statements.

b) Credit risk

The Board is exposed to credit risk from the potential non-payment of accounts receivable. The majority of the Board's receivables are with many customers, therefore credit risk is minimal.

c) Fair value

The carrying amount of these financial instruments approximates fair value due to their immediate or short-term nature.

- cash
- accounts receivable
- accounts payable
- accrued salaries and vacation pay

11. Net Change in Non-Cash Working Capital

	Operating Fund		Capital Fund	
	2002	2001	2002	2001
(Increase) decrease in accounts receivable	$ (26,125)	$ (24,742)	$ 20,000	$ (20,000)
Decrease (increase) in inventories	1,532	(11,041)	-	-
(Increase) decrease in prepaid expenses	(13,894)	1,259	-	-
(Decrease) in accounts payable	(1,861)	(14,841)	-	-
(Decrease) increase in vacation payable	(8,558)	30,044	-	-
	$ (48,906)	$ (19,321)	$ 20,000	$ (20,000)

12. Comparative Figures

Certain of the 2001 comparative figures have been reclassified to conform with the current year's presentation.

Schedule 1

BOARD OF GOVERNORS, URANIUM CITY HOSPITAL
SCHEDULE OF EXPENSES BY OBJECT
For the year ended March 31

	2002	2001
Salaries and other benefits	$ 880,584	$ 770,619
Medical, surgical, drugs and other patient supplies	71,345	63,078
Utilities	131,272	130,170
Repairs and maintenance	31,762	27,230
Dietetic/ food supplies	24,639	13,180
Amortization expense	12,243	8,845
Staff education and travel	132,549	107,298
Other		
- Board expenses	14,042	44,751
- Administrative	161,586	155,580
- Laundry and linen	202	145
- Housekeeping	1,991	2,326
- Ancillary operations	80,695	79,034
	$ 1,542,910	$ 1,402,256